

Coburn Amendment 2694: S. 1926 delay will not apply to vacation homes or commercial property

Taxpayers should not be asked to subsidize flood risk for vacation homes and commercial property

- Artificially setting rates for some properties does not remove the flood risk, it shifts who covers that risk from the property owner to the taxpayer
- The NFIP has already accrued more than \$24 billion in debt because Congress has neglected to manage a sustainable program
- This bill doubles down on that irresponsibility, adding \$2.1 billion more to that total without any offsets

If the Homeowner Flood Insurance Affordability Act is about homeowner affordability, then it should exempt vacation homes and commercial properties from the rate adjustments delays

- S. 1926 provides for a lengthy delay on implementing flood insurance reform policies in order for FEMA to conduct a study and to submit a framework to address affordability issues in the National Flood Insurance Program
- S. 1926 provides a blanket delay for all properties effected by new flood insurance rate maps
- By ignoring the rate adjustments for new maps that go into place, S. 1926 will not only be delaying the updated maps for low and middle income families, but it will also be artificially subsidizing flood insurance rates for business properties and vacation homes

Delaying vacation homes and commercial property rate adjustments does not fit the bill's affordability standard

- The argument that delays are necessary to ensure affordable coverage for participants in high-risk areas is not a compelling reason for the grandfathering policies to apply to 2nd-homes, vacation homes, or other non-residential properties
- Exempting business properties and vacation homes from the rate adjustment delays will better align the bill's purpose with affordability